

AMENDED IN SENATE MARCH 10, 2016

**SENATE BILL**

**No. 975**

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**Introduced by Committee on Governance and Finance (Senators Hertzberg (Chair), Beall, Hernandez, Lara, Moorlach, Nguyen, and Pavley)**

February 8, 2016

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An act to add Article 18.5 (commencing with Section 53993) to Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

SB 975, as amended, Committee on Governance and Finance. Tax increment: property tax override rates.

Existing law establishes procedures for the formation of infrastructure financing districts, enhanced infrastructure financing districts, infrastructure and revitalization financing districts, and community revitalization and investment authorities, as specified, to undertake various economic development projects, including financing public facilities and infrastructure, affordable housing, and economic revitalization. Existing law authorizes an infrastructure financing plan or a community revitalization and investment plan to provide for the division of taxes levied upon taxable property, if any, between the affected taxing entities, as defined, and the district or authority.

This bill, for the purpose of any law authorizing the division of taxes, would prohibit the division of revenues derived from a property tax rate approved by the voters ~~of a city, county, or city and county pursuant to, specified provisions of the California Constitution~~ and levied in addition to the general property tax rate limited by the California Constitution. The bill would specify that this limitation does not apply

to the allocation of property taxes pursuant to provisions relating to the wind down of the affairs of redevelopment agencies and the activities of successor agencies.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Article 18.5 (commencing with Section 53993) is added to Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 18.5. Division of Property Taxes

53993. (a) Notwithstanding any other law, except as provided in subdivision (b), for the purpose of any law authorizing the division of taxes levied upon taxable property, including, but not limited to, Sections 53369.30, 53396, 53398.30, 53398.75, and 62005, ~~any~~ no revenues derived from the imposition of a property tax rate, approved by the voters of a city, county, or city and county pursuant to subdivision (b) of Section 1 of Article XIII A of the California Constitution and levied in addition to the property tax rate limited by subdivision (a) of Section 1 of Article XIII A of the California Constitution, shall ~~not~~ be divided.

(b) Subdivision (a) shall not apply to the allocation of property taxes pursuant to Part 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code.